

# EXHIBIT F



Via email: frances.tucker@kroger.com

December 11, 2012

Frances Tucker, Esq.  
The Kroger Company  
Corporate Counsel  
1014 Vine Street  
Cincinnati, OH 45202-1100

**Subject: Suspicious Order Monitoring (SOM) Assessment Project**

Dear Francie:

As a follow-up to our call and your discussions with Ron Buzzeo, I am providing you with our proposal that outlines our SOM assessment project that will assist in meeting your regulatory and operational requirements to support Kroger's controlled substance program. Should you require information or pricing on any of our other services, please do not hesitate to contact me.

**Executive Summary**

Cegedim Compliance Solutions Powered by BuzzeoPDMA was founded in January 1991 as BuzzeoPDMA, Inc. and is the recognized industry leader in assisting companies to comply with the policies of the Food and Drug Administration (FDA), the requirements of the Prescription Drug Marketing Act (PDMA), the policies of the Drug Enforcement Administration (DEA), the requirements of the Controlled Substances Act (CSA), the implementing regulations, state-level regulations, Puerto Rico requirements and implementation of industry best practices. Leveraging Cegedim's depth of knowledge in the compliance category and our unsurpassed technologies in supporting your compliance risk management, we help you mitigate risk, remediate potential violations and stay ahead of the changing regulatory landscape.

In January 2005, **BuzzeoPDMA, Inc.** was acquired by and became a division of Dendrite International, Inc., and then in May 2007, Dendrite was acquired by Cegedim. Combined we support the pharmaceutical industry with over 8000 employees in over 75 offices around the world.

Our expert consultants are former senior level industry professionals, federal and state regulatory specialists, IT security specialists, reconciliation analysts, and certified health care professionals.

Our Compliance Solutions division is proud of our client list, which includes over 300 small, mid-size and major pharmaceutical companies, including ten of the top ten pharmaceutical companies worldwide and thirty-seven of the top fifty pharmaceutical companies worldwide. Cegedim has the experience, expertise, and services offering to help our clients meet their regulatory needs. We have expanded our Regulatory Compliance Consulting capabilities in the areas where life science companies need the most support. ***Our programs don't just improve your ability to meet federal agency requirements – they streamline your compliance activities, reducing your costs and your management burdens.***

**Project #1: Suspicious Order Monitoring (SOM) Assessment Project**

BuzzeoPDMA will review, comment and provide consulting recommendations to help strengthen Kroger's SOM and due diligence program. The project will leverage BuzzeoPDMA's extensive DEA and SOM knowledge and "best practices" to provide recommendations for enhancing Kroger's SOM computer analysis model, SOM process and procedures, including SOPs, order analysis / evaluation / disposition processes, order pending process, and store reviews and investigations related to SOM. BuzzeoPDMA will provide Kroger an onsite review and assessment of its current SOM system. We will meet with Kroger's SOM team to conduct a thorough discussion and review of the SOM system. The assessment will involve onsite meetings at Kroger's corporate office, one distribution facility and two pharmacies.

During this assessment, BuzzeoPDMA consulting team will review, discuss, and evaluate the following elements of Kroger's SOM system:

- We will review and analyze Kroger's SOM system.
- We will discuss and review Kroger's approach used to design its SOM system.
- We will meet with Kroger's IT and compliance teams to gain an understanding of the available data tables, schemas, fields, etc. in your current orders tracking system and how these items have been integrated into Kroger's approach to SOM.
- We will discuss the data that is available and what is the appropriate sampling of the actual data needed to "train" a set of statistically based and supportable index modeling formulas, if appropriate.
- We will discuss those parameters and data points that are inherently unique to each account type and the requirements for developing a statistically justifiable SOM model specific to each account type.
- We will discuss the systems validation of the SOM system if applicable.

As part of this project, BuzzeoPDMA will review the following areas of Kroger's operations:

1. Onsite meeting at Kroger's corporation office to gain a better understanding of its corporate compliance program's oversight into its SOM program.
2. Visit one of Kroger's distribution facilities nearest to its corporate office to assess what it's currently doing at the facility level to support Kroger's SOM program.
3. Visit two of Kroger pharmacy's to assessment their pharmacy operations and gain an understanding of its SOM program compliance to the store level.

**Project Fee: \$39,500.00 plus business expenses.** This includes the onsite time, offsite consulting time, travel time and report writing time to complete an assessment of Kroger's SOM program. This project will be staffed using two Senior Consultants, one PhD Statistician along with executive sponsorship from Ron Buzzeo, R.Ph, Chief Compliance Officer.

*The above pricing is good for 30 days from the date of this proposal. If this proposal is acceptable, an addendum will be provided for your approval. This Project will be invoiced 50% upon signing the addendum, and then the remaining 50% will be invoiced upon completion, plus a pass through of expenses.*

All services provided are with your express and advance approval, consistent with industry practices and procedures. Our relationship with you is a partnership, maintaining high standards and professionalism in every aspect of business we conduct. Your operations are held in the strictest of confidentiality.

Frances Tucker, Esq  
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If you require any further information or clarification, please do not hesitate to contact me at (804) 230-5003 or at [gary.glotz@cegedim.com](mailto:gary.glotz@cegedim.com). Your interest and consideration are appreciated, and we look forward to working with you.

Sincerely,

*Gary Glotz*

Gary Glotz  
Business Development Director

cc: Ronald Buzzeo, R.Ph, Chief Compliance Officer  
Paul Hamby – Senior Director, Regulatory Consulting